Before the
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, DC 20554

In the Matter of	)	
2010 Quadrennial Review – Review of the Commission's Broadcast Ownership Rules and Other Rules Adopted Pursuant to Section 202 of the Telecommunications Act of 1996	)	MB Docket No. 09-182
Promoting Diversification of Ownership In the Broadcasting Services	)	MB Docket No. 07-294

COMMENTS OF FREE PRESS

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I. Introduction and Summary

Free Press respectfully submits these comments in response to the Minority Media and Telecommunication Council's ("MMTC") study submitted in the above-captioned dockets on May 30, 2013, which purports to examine the impact of "cross media ownership" on "minority/women owned broadcast stations."[1]

Prior to MMTC's release of its study, Acting Chairwoman Clyburn stated that "[t]he Commission is in need of data that will enable it to make timely, smart, and forward-looking decisions while taking into account America's changing media landscape."[2] Free Press echoes this call for more data on this critical issue. Specifically, we urge the Commission to collect and consider the relevant data required by the Third Circuit in its *Prometheus II*[3] decision. Unfortunately, the MMTC Study provides neither that data nor a sound interpretation of the information it did collect. The flaws in the study's methodology, analysis and logic render it incapable of serving as a foundation for any Commission decision whatsoever, let alone one that has the potential to affect communities already marginalized in America's media industry.

The author of the MMTC study claims that the investigation's methodology can give the Commission "a reasonably clear sense of whether there is a material difference in the impact of these commonly owned local cross media operations," and that the

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[1] Letter from David Honig, President, Minority Media and Telecommunications Council to Acting Chairwoman Mignon Clyburn, Commissioner Ajit Pai, and Commissioner Jessica Rosenworcel, MB Docket No. 09-182 (May 30, 2013) ("MMTC Transmission Letter").

[2] Federal Communications Commission, "Statement of FCC Commissioner Mignon L. Clyburn on Media Ownership Study Proposed by MMTC" (Feb. 26, 2013).

[3] Prometheus Radio Project v. FCC, 652 F.3d 431 (3d Cir. 2011).

study's results "can provide some indications of whether there is an adverse or, especially, a disparate impact on these minority/women owned broadcasters."[4]

But this is simply not the case. Because of the study's flaws, it at best offers a partial and inadequately described summary of an extremely small sample of anecdotes. The problems with the study's methodology and its presentation are incurable. It does not come close to offering a "reasonably clear sense" of anything; and it certainly does not "provide an important piece of evidence"[5] that "cross-media interests' impact on minority and women broadcast ownership is not sufficiently material to be a material justification for tightening or retaining the rules," as MMTC claims.[6]

MMTC acknowledges that its study is neither comprehensive nor dispositive,[7] yet suggests that the Commission accept its sweeping conclusions in evaluating the impact of cross-ownership rules on diverse owners. The study fails, however, to satisfy the Third Circuit's mandate in *Prometheus II* that the Commission collect the data necessary for informed policy-making and better consider the effects of its rules on diverse media ownership. Thus, because of the numerous flaws discussed herein, the Commission should not accord the MMTC Study any weight in the Quadrennial Review.

II. Discussion

A. The MMTC Study fails to adequately describe its sample

The MMTC study is essentially a surface-level multiple case study, with some nominal effort made to enable causal inference through the study of control subjects. We

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[4] Mark R. Fratrik, Vice President and Chief Economist, BIA/Kelsey, "The Impact of Cross Media Ownership on Minority/Women Owned Broadcast Stations," at 2 (May 30, 2013) ("MMTC Study").

[5] MMTC Transmission Letter at 2.

[6] MMTC Study at i.

[7] *See id.* at 2, 10.

say "nominal" because it is not actually clear if the study has any controls, as the author fails to describe the study sample distribution.

Qualitative studies of self-reported perceptions concerning a policy's economic impacts are severely limited in their utility for causal inference or generalizability;[8] but a properly designed matched-pair analysis could offer policymakers useful information to consider along side quantitative and other historical evidence.[9] However, not only does the MMTC Study fail in its design as a multiple case qualitative study, it fails tremendously in its attempts to increase its external validity through the use of matched-pair analysis.[10]

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[8] "Quantitative methods are particularly helpful when conducting research on a broad scale, since results obtained through a well conducted statistical testing are safer for purposes of generalisation, whereas results of qualitative research will depict the reality in more detail, but may have limited generalizability." Stephen Young, "Comparing Best Practice Cases in Creating an Environment Conducive to Development Benefits, Growth and Investment: Developing a Case Study Methodology," United Nations Conference on Trade and Development, Geneva, at 10 (2007).

[9] *See* William R. Shadish *et al.*, *Experimental and Quasi-Experimental Designs for Generalized Causal Inference*, at 501 (2002):

> Although we agree that qualitative evidence can reduce some uncertainty about cause – sometimes substantially – the conditions under which this occurs are usually rare. In particular, qualitative methods usually produce unclear knowledge about the counterfactual of greatest importance, how those who received treatment would have changed without treatment. Adding design features to case studies, such as comparison groups and pretreatment observations, clearly improves causal inference. But it does so by melding case-study data collection methods with experimental design. Although we consider this as a valuable addition to ways of thinking about case studies, many advocates of the method would no longer recognize it as still being a case study. To our way of thinking, cause studies are very relevant when causation is at most a minor issue; but in most other cases when substantial uncertainty reduction about causation is required, we value qualitative methods within experiments rather than as alternatives to them....

[10] External validity refers to the degree of support for an inference of a causal relationship (or lack thereof) across variations in "persons, settings, treatment variables, and measurement variables." *See id.* at 507.

The MMTC Study attempts to gauge whether there is a "material" impact of cross-ownership on *existing* female and minority broadcast station owners. In an attempt to increase the study's validity, the author surveyed station owners categorized as minority/female, and non-minority/non-female, in markets with and without cross-owned properties. This is certainly a worthwhile approach, but its instructiveness is only realized if the study describes its sample. In other words, if some respondents report cross-ownership as adversely impacting their businesses, while others do not, the researcher must fully describe the sample to make generalized inferences about these results.

To illustrate precisely why the MMTC study offers absolutely no generalizability, consider a schematic of the study's sample distribution as shown below in Figure 1, and as derived from the MMTC Study at page 4, note 4.

Figure 1: The MMTC Study's Undefined Sample Distribution – Aggregate 1

Owner Type	Markets With A Newspaper-Broadcast Combination	Markets With No Cross-Owned Properties	TOTAL
Minority AND/OR Female Owner	?	?	8
Non-Minority/Non-Female Owner	?	?	6
TOTAL	?	?	?/14

As we see from Figure 1, the study's author made a very critical omission by not describing the sizes of each bin denoted above. Just simply knowing that there were eight diverse owners interviewed and six non-diverse owners interviewed is not sufficient for drawing any conclusions.

However, if the goal of the study design was to enable generalizable conclusions based on matched-pair analysis, even disclosing the sizes of the bins above would not be adequate. This is true for multiple reasons (all of which are discussed in greater detail in the sections that follow).

First, there is ample reason to study women owners separately from racial and ethnic minority owners. Thus, the sample distribution and matched pairs should be illustrated as shown in Figure 2.

Figure 2: The MMTC Study's Undefined Sample Distribution – Aggregate 2

Owner Type	Markets With A Newspaper-Broadcast Combination	Markets With No Cross-Owned Properties	TOTAL
Minority Owner	?	?	?
Non-Minority Owner	?	?	?
Female Owner	?	?	?
Non-Female Owner	?	?	?
TOTAL	?	?	?/14

But the MMTC Study fails to denote how many of the eight diverse owners fit into each subcategory. Moreover, it also fails to study the impact of newspaper-television cross-ownership separately from newspaper-radio cross-ownership. While the Commission's rules prohibit common ownership of either type of broadcast station with a local daily newspaper, the economics of the broadcast radio and television markets are substantially different, and the expectation of the impacts of cross-ownership on ownership diversity in each market are likewise different. It is simply irresponsible to draw conclusions about the impact of cross-ownership on ownership diversity in the television market based on findings from radio owners. Thus, the sample distribution and matched pairs that accounted for radio distinguished from television should be illustrated as shown in Figure 3.

Figure 3: The MMTC Study's Undefined Sample Distribution – Aggregate 3

Owner Type	Markets With A Newspaper-TV Combination	Markets With A Newspaper-Radio Combination	Markets With A Newspaper-TV AND Newspaper-Radio Combination	Markets With No Cross-Owned Properties	TOTAL
Minority Owner (TV-only)	?	?	?	?	?
Non-Minority Owner (TV-only)	?	?	?	?	?
Female Owner (TV-only)	?	?	?	?	?
Non-Female Owner (TV-only)	?	?	?	?	?
Minority Owner (Radio-only)	?	?	?	?	?
Non-Minority Owner (Radio-only)	?	?	?	?	?
Female Owner (Radio-only)	?	?	?	?	?
Non-Female Owner (Radio-only)	?	?	?	?	?
Minority Owner (TV and Radio)	?	?	?	?	?
Non-Minority Owner (TV and Radio)	?	?	?	?	?
Female Owner (TV and Radio)	?	?	?	?	?
Non-Female Owner (TV and Radio)	?	?	?	?	?
TOTAL	?	?	?	?	?/14

As Figure 3 shows, there are now 48 bins, but only 14 subjects. This alone shows the study's complete lack of generalizability. But the problems don't end there. In describing the study's sample, the author states "[a]mong the fourteen respondents, eight were from minority or women-owned companies and six were from nonminority-men owned companies. Among the eight respondents from minority or women-owned companies, five were from group owners, and four operated stations (within a group or otherwise) that were single stations in their markets. Among the six respondents from non minority-men owned companies, three were from group owners, and one operated a station (within a group or otherwise) that was a single station in its market."[11]

There is certainly reason to examine group owners (*i.e.*, owners of multiple stations in multiple markets) distinctly from single-station owners (those who own a single station in more than one market, as well as those who own just one single station). Free Press's prior research has shown that women and minorities are more likely than their non-female/non-minority counterparts to own just a single television station,[12] a

[11] MMTC Study at 4 n.4.

[12] *See* S. Derek Turner, Free Press, "Out of the Picture 2007: Minority & Female TV Station Ownership in the United States – Current Status, Comparative Statistical Analysis & the Effects of FCC Policy and Media Consolidation," at Fig. 12 (Oct. 2007), showing that 78 percent of minority owners and 61 percent of female owners controlled just one

result also found in the radio market.[13] This research also indicated that the negative impacts of market consolidation (in terms of both stations and revenues) are more acutely felt by female and minority owners – not simply because of their gender or ethnicity, but because of their more typical status as single-station owners. With this in mind, the sample distribution and matched pairs considering all these factors would be illustrated as shown in Figure 4.

Figure 4: The MMTC Study's Undefined Sample Distribution – Aggregate 4

Owner Type	Markets With A Newspaper-TV Combination	Markets With A Newspaper-Radio Combination	Markets With A Newspaper-TV AND Newspaper-Radio Combination	Markets With No Cross-Owned Properties	TOTAL
Minority Owner (TV-Only, Single Station)	?	?	?	?	?
Non-Minority Owner (TV-Only, Single Station)	?	?	?	?	?
Female Owner (TV-Only, Single Station)	?	?	?	?	?
Non-Female Owner (TV-Only, Single Station)	?	?	?	?	?
Minority Owner (TV-Only, Multiple Stations/Single Market)	?	?	?	?	?
Non-Minority Owner (TV-Only, Multiple Stations/Single Market)	?	?	?	?	?
Female Owner (TV-Only, Multiple Stations/Single Market)	?	?	?	?	?
Non-Female Owner (TV-Only, Multiple Stations/Single Market)	?	?	?	?	?
Minority Owner (TV-Only, Multiple Stations/Multiple Markets)	?	?	?	?	?
Non-Minority Owner (TV-Only, Multiple Stations/Multiple Markets)	?	?	?	?	?
Female Owner (TV-Only, Multiple Stations/Multiple Markets)	?	?	?	?	?
Non-Female Owner (TV-Only, Multiple Stations/Multiple Markets)	?	?	?	?	?
Minority Owner (Radio-Only, Single Station)	?	?	?	?	?
Non-Minority Owner (Radio-Only, Single Station)	?	?	?	?	?
Female Owner (Radio-Only, Single Station)	?	?	?	?	?
Non-Female Owner (Radio-Only, Single Station)	?	?	?	?	?
Minority Owner (Radio-Only, Multiple Stations/Single Market)	?	?	?	?	?
Non-Minority Owner (Radio-Only, Multiple Stations/Single Market)	?	?	?	?	?
Female Owner (Radio-Only, Multiple Stations/Single Market)	?	?	?	?	?
Non-Female Owner (Radio-Only, Multiple Stations/Single Market)	?	?	?	?	?
Minority Owner (Radio-Only, Multiple Stations/Multiple Markets)	?	?	?	?	?
Non-Minority Owner (Radio-Only, Multiple Stations/Multiple Markets)	?	?	?	?	?
Female Owner (Radio-Only, Multiple Stations/Multiple Markets)	?	?	?	?	?
Non-Female Owner (Radio-Only, Multiple Stations/Multiple Markets)	?	?	?	?	?
Minority Owner (TV and Radio, Single Station)	?	?	?	?	?
Non-Minority Owner (TV and Radio, Single Station)	?	?	?	?	?
Female Owner (TV and Radio, Single Station)	?	?	?	?	?
Non-Female Owner (TV and Radio, Single Station)	?	?	?	?	?
Minority Owner (TV and Radio, Multiple Stations/Single Market)	?	?	?	?	?
Non-Minority Owner (TV and Radio, Multiple Stations/Single Market)	?	?	?	?	?
Female Owner (TV and Radio, Multiple Stations/Single Market)	?	?	?	?	?
Non-Female Owner (TV and Radio, Multiple Stations/Single Market)	?	?	?	?	?
Minority Owner (TV and Radio, Multiple Stations/Multiple Markets)	?	?	?	?	?
Non-Minority Owner (TV and Radio, Multiple Stations/Multiple Markets)	?	?	?	?	?
Female Owner (TV and Radio, Multiple Stations/Multiple Markets)	?	?	?	?	?
Non-Female Owner (TV and Radio, Multiple Stations/Multiple Markets)	?	?	?	?	?
TOTAL	?	?	?	?	?/14

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television station compared to 52 percent for white males. The latter figure does not include the large publicly-traded corporate chains where the majority voting interest is distributed such that gender and racial ownership identities could not be established, which accounted for 15 percent of all full-power commercial TV stations.

[13] *See* S. Derek Turner, Free Press, "Off the Dial: Female and Minority Radio Station Ownership in the United States," at Fig. 14 (June 2007) (showing that 61 percent of female owners and 68 percent of minority owners control just one radio station, compared to less than half of all unique non-minority owners).

As Figure 4 shows, we're now up to 144 bins, with only 14 subjects. The point here is not that MMTC *should* have investigated each of these matched pairs; but that in order to draw generalizable conclusions about *anything*, MMTC should have designed its study to answer at least one or more of these specific questions. As it is structured, and given the study's extremely low sample size, it is highly unlikely that MMTC has matched pairs that could support *any* conclusions about the "material difference in the impact of [ ] cross media operations."[14]

B. The MMTC Study fails to distinguish the perceived impact of cross-ownership on broadcast radio station owners from the perceived impact on broadcast television station owners, and fails to distinguish the impact on female owners from the impact on minority owners

Women and people of color face substantial barriers to entry in both the radio broadcast and television broadcast markets. But while both women and people of color face barriers, their experiences are not identical, and there is ample reason to study each separately.

Likewise, there is ample reason to study the effect of the Commission's rules on ownership diversity in the radio market separately from the effect in the television market. The relatively lower number of television than radio stations, and the vastly higher valuations for TV, equates to substantially higher barriers in the TV market as compared to the radio market. Given that lack of access to capital is a well-known factor hindering ownership diversity – particularly for people of color – one would expect the level of ownership diversity to be greater in the radio market relative to the TV market simply because of the differences in the supply and price of each type of broadcast outlet. And this is exactly the case. People of color own approximately 3 percent of full-power

[14] MMTC Study at 2.

commercial broadcast television stations and 8 percent of commercial broadcast radio stations. For women however, the level of ownership in each market is just under 7 percent.

We also observe the expected differences in the *number* of stations owned on average by each unique owner in the radio and TV markets. According to the 2007 Free Press studies, people of color controlled an average of 1.59 TV stations per unique owner and 2.6 radio stations per unique owner. For women there again was little difference between radio and TV (2.2 TV stations owned versus 2.1 radio stations owned per unique owner), a result also seen in white male owners (4.7 TV stations owned versus 4.4 radio stations owned per unique owner). The 2007 studies also showed that 68 percent of minority radio station owners were single station owners compared to 46 percent of white, non-Hispanic owners. And 61 percent of female radio station owners were single station owners versus 49 percent of male owners. The results were similar in television: 78 percent of minority owners and 61 percent of female owners were single television station owners, compared with 52 percent of white male owners.

These data suggest the entry barriers and exit pressures women experience are different than those that people of color face, and that these barriers/pressures also differ between the radio and television markets. But the MMTC study lumps women in with people of color, and makes no effort to distinguish the experiences of radio station owners from those of television station owners.

The latter is particularly troubling given the hypothesis on *how* market concentration impacts minority and female ownership: women and people of color are far more likely (for a host of reasons) to own just a single station, and market consolidation both removes stations from the pool of available stations as well as exacerbates the economic effects that disfavor potential and existing single station owners.[15] Given these factors, we would expect the impact of cross-ownership on ownership diversity to be greater in the television market than the radio market.

Which is why the study's data, as limited as it is, appears to contradict MMTC's conclusion of "no material impact." The study actually found that 3 of the 14 owners – all in a market with a newspaper-TV combination – identified cross-ownership as a factor impacting their businesses.[16] Because MMTC did not define its sample, we have no idea what proportion of interviewed female or minority *television* station owners in a newspaper-TV cross-owned market gave such responses. In fact, it is possible that in 100 percent of the cases where MMTC asked a minority television owner about cross-ownership in a market with a newspaper-TV combination, that owner reported the combination as harmful.

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[15] As markets become more concentrated, artificial economies of scale are created, further driving away potential new entrants in favor of existing large chains. Concentration diminishes the ability of existing smaller station groups and single-station owners to compete for both advertising and programming contracts. These effects combine to create immense pressure for smaller owners to sell their stations. And this destructive cycle disproportionately impacts women and minority owners, as they are far more likely to own just a single station in comparison to their white-male and corporate counterparts. Current female and minority owners are driven out of markets; and discrimination in access to deals, capital and equity, combined with the higher barriers to entry created by consolidation, shut out new female and minority owners.

[16] MMTC Study at 6 n.6. The study draws precisely the wrong conclusion from this data point. Pausing on the subject only to opine that "there is no difference between the perceptions of the two groups of respondents," the study's author either ignores or does not know that the disparate impact of consolidation for diverse owners occurs not just because of differences in race or gender, but rather because a disproportionate number of diverse licensees own a single station only. *See supra* notes 12-13.

C. The MMTC Study fails to distinguish the perceived impact of cross-ownership on single station owners from the perceived impact on multiple and/or group station owners

As discussed above, the reason to suspect that elimination of the Commission's cross-ownership ban might disproportionately impact women and minority owners is not because of their gender, race or ethnicity. It is because the negative economic impacts of consolidation are felt most acutely by smaller owners, and women and people of color are far more likely to own just one single station in a single market. Put another way, there is no reason to expect that a large owner like Radio One (a female and minority-owned firm) would report the same experiences and challenges as a single-station owner of any race, ethnicity or gender. Thus, it is important from a research design perspective to isolate single-station owners from multiple-station and group-station owners.[17]

While it is unclear, it appears that the MMTC Study's author did make an effort to interview single-station owners in addition to group-station owners.[18] But as discussed above, MMTC did not describe the distribution of its sample, so we don't know how many of the eight minority and/or female owners are group owners, nor how many of the six non-minority/non-female owners are. Given the extremely low response rate, it is highly unlikely the author identified any matched pairs suitable enough to draw generalizable conclusions about the impacts of the Commission's cross-ownership rules.

[17] "Group owners" are those who control multiple stations in multiple markets, or more than three stations in the same market.

[18] *See* MMTC Study at 3.

D. The MMTC Study selectively studied markets with grandfathered cross-owned combinations, ignoring markets with combinations formed after the Commission's rules were implemented

In describing the sampling methodology, the MMTC Study's author states that "[m]inority and/or women owned stations were selected that were located in those markets in which there were either a commonly owned *grandfathered* radio/newspaper, *grandfathered* television/newspaper, or radio/television operation." [19] When the Commission adopted its cross-ownership rules in 1975, all existing combinations were grandfathered under the rule. In the subsequent years, the Commission approved new cross-owned combinations by granting waivers to its rules. Some of these waivers are permanent waivers, while the others are temporary (in name).

It is unclear why the MMTC Study focused on the grandfathered markets and excluded waived markets; but there are significant differences in the history and market position of these two kinds of exceptions to the Commission's rules. In the television market, waived combinations are more likely to be in larger local markets, which is also the case for minority-owned stations. Large national corporate chains also control the waived newspaper-TV properties, while the grandfathered combinations are primarily controlled by local or regional family operations. Thus, MMTC's exclusion of waived stations and markets distorts the sample in yet another way that undermines the study's external validity.

[19] *Id.* (emphasis added).

E. The MMTC Study draws conclusions about the impact of cross-ownership on television station owners when the study's survey instrument focuses on the radio market

As discussed above, the number of minority and/or female TV station owners MMTC interviewed for its study is unknown, and it is entirely possible that the study only examined radio station owners. Indeed, the study's questionnaire specifies and emphasizes radio stations in a way that suggests TV station owners were either not interviewed, or were an afterthought.

The first of the nine questions asked "[w]hat are the radio stations in your market that you compete against most directly?" This is followed by "[b]esides other radio stations, what other media outlets in your market do you compete against?" These two questions set the tone for the seven that follow, and suggest that the author wrote them with a radio station general manager in mind as the test subject. That some owners of non-news formatted radio stations failed to mention a cross-owned newspaper-TV combination in this unaided recall survey is not remarkable at all; it certainly is not enough information to draw the sweeping conclusions that MMTC does about the impact of the Commission's rules on ownership diversity in the television market.

F. The MMTC Study's reliance on online survey responses is not appropriate for a study that claims to employ an unaided recall methodology

To conduct the survey, respondents were emailed an informational note about the survey, and subsequently called. Then, "[t]o increase the number of responses, [the authors] subsequently sent an email with a link to an online survey questionnaire, with a promise of an online gift card if the survey was completed."[20] If some respondents were

[20] MMTC Study at 4.

interviewed by phone, and others used an online survey, the results are likely not comparable.

The use of unaided recall is certainly an appropriate technique, but more so for investigating subjects like brand-recognition than the identification of the economic impacts of Commission policies. A general manager may not specifically cite the cross-owned property, but still cite the market impacts that the cross-owned property exerts. Indeed, the general themes of the responses to the MMTC survey reflect the same exact concerns that are exacerbated by cross-ownership.[21]

Open-ended questions are most useful when there is sufficient time to deeply delve into the content. It does not appear that MMTC conducted any follow-up questioning in the unspecified number of cases in which the interview was conducted over the phone; but it is a certainty that such follow-up could not have been done via a static online survey. As such, we would expect responses to be biased towards the most immediate concerns — like daily work concerns — over larger strategic issues that do not have the same kind of immediacy. Similarly, we would expect the responses to be biased toward issues that can be summarized quickly or are simpler to discuss, in order to save time (a result that should be more pronounced in the online responses). Moreover, self-reports of impacts are inherently problematic. Even when empirical conclusions are not possible due to limited sample sizes, economists still prefer to assess economic impacts using revealed preferences, through some concrete behavior. Given the small sample sizes, site visitations and observations of operations would have been far more preferable, ideally using paired samples.

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[21] *Id.* at 6-7.

G. The MMTC Study actually identifies owners that perceive cross-ownership as negatively impacting their businesses

Even given all of the problems discussed above, the MMTC study still managed to identify three owners (described as "one minority and/or women owned station and two non-minority/non-women owned stations") that identified "cross-media interests as having a competitive impact on their stations."[22] Apparently, these three owners/stations were all in the same market, and were the only survey respondents in this particular market. MMTC describes it as a "medium market in which there was a local combination of the only daily newspaper, a full power television station, and radio stations."[23]

Given the study's apparent focus on radio, it is certainly possible that in the only market studied by MMTC where a newspaper-television combination exists, all three of the owners interviewed indicated the cross-owned operation has a competitive impact on their businesses. This would certainly run counter to the study's sweeping conclusion that "the impact of cross-media ownership on minority and women broadcast ownership is probably negligible."[24] Indeed, when explaining this seemingly contradictory result, MMTC interpreted this "finding as an indication that an especially extensive cross-media combination, although lawful under the rules, could materially inhibit 'singleton station' operations in the advertising marketplace."[25]

Thus, based on the evidence of its own study, MMTC seems to be in agreement with Free Press. We likewise expect that the presence of a newspaper-television combination in a local market is likely to produce market effects that disproportionately

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[22] MMTC Transmission Letter at 2.

[23] MMTC Study at 6 n.6.

[24] *Id.* at 10.

[25] MMTC Transmission Letter at 2.

impact single-station owners — and such owners are far more likely to be women and people of color.

H. MMTC failed to support its claim that the study received peer review

MMTC describes its study as "peer-reviewed by three distinguished scholars, and conducted in accordance with refereed journal standards."[26] However, it is hard to believe that this was actually the case. MMTC failed to include any written peer review evaluations in its submission of the study, a practice that is common for FCC-targeted studies.[27] Nor did MMTC describe the details of the review process (*e.g.*, were the reviewers contacted as a group, or separately as is the normal practice in scholarly review; did the reviewers conduct several rounds of reviews, or only offer input pre- or post-completion of the survey work; were the reviewers in agreement in their assessments, or were there differences of opinion; did in fact *any* of the reviewers suggest that the study was worthy of submission?).

Given the impeccable research credentials of the peer reviewers, it is highly unlikely that they did not identify the same flaws described in these comments. If MMTC wishes to imply that the peer review enhances the study's validity, then it must disclose the substance of those reviews. The absence of any written peer review raises the possibility that the reviewers were highly critical of the study's methodology and/or its conclusions, but MMTC decided to plod ahead in the service of a political agenda. If the Commission intends to accord *any* weight to the study (which due to the numerous fatal

[26] *Id.* at 1.

[27] *See, e.g.*, 2010 Media Ownership Studies and peer review response available at http://www.fcc.gov/encyclopedia/2010-media-ownership-studies.

flaws, it should not), then it must first ask MMTC for a full accounting of the peer review process.[28]

III. Conclusion

The MMTC Study is critically flawed in its methodology and analysis. The record in this proceeding conclusively shows that cross-ownership, along with other forms of media consolidation and concentration, work to crowd out existing minority owners and raise barriers to entry.

MMTC has provided no evidence to contradict, let alone refute, those conclusions. What's more, the study barely begins to satisfy the Third Circuit's mandate in *Prometheus II*. At this time, the Commission remains in no position to justify relaxation of its cross ownership rules, as it cannot consider the MMTC study as a sound basis for informed policy-making.

[28] We are not suggesting that the Commission only give weight to peer-reviewed research; we are simply suggesting that in this case, when the study's author claims a peer review was conducted, that the absence of a written review raises substantial questions about the opinions of the reviewers – opinions that the Commission should hear.

Respectfully Submitted

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